a system by 1st July, 2003, wherein only Air India Limited, Indian Airlines Limited and Airports Authority of India will form separate companies, having a minimum of 51 per cent share holding either directly or thorugh their subsidiaries in the joint venture with an international operator or foreign airlines, subject to security clearance from the Government. Such joint venture company shall induct state-of-the art technology, equipment of world-class standards. No 'self-handling' by any of the airlines or their subsidiaries or agencies will be allowed. Pending formation of separate companies, Air India and Indian Airlines will directly provide ground handling services beyond 30 June 2003.

Completion of Bangalore and Hyderabad International Airports

2651. SHRI K. RAHMAN KHAN: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that apprehensions have been expressed about Bangalore and Hyderabad International Airports getting delayed as has been expressed in the news-item of Economic Times of 8th November, 2002 under the caption 'Bangalore and Hyderabad International Airports seen unviable';

(b) if so, what are the details in this regard; and

(c) what steps are proposed to be taken to remove all snags in the completion of these Airport projects?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI SHRIPAD YESSO NAIK): (a) Yes, Sir.

(b) The key issues raised in the Economic Times newspaper article dated 8th November 2002, *inter alia,* relate to the commercial viability of the airport projects at Bangalore and Hyderabad; the State support; the issue of Government concessions etc. The promoters of these Greenfield airports consider the projects to the unviable without appropriate State Support.

(c) Government of Karnataka has committed a State support of Rs. 400 crores for the Bangalore airport project, besides providing land and peripheral infrastructure such as access roads, power, water etc. Andhra Pradesh Government has envisaged similar State support for Hyderabad airport project. Government of India has announced a package of concessions for these Greenfield airports in Budget 2002-2003, which, *inter alia*, includes exemption from levy of Inland Air Travel Tax (IATT) and Foreign Travel Tax (FTT) on departing passengers at existing airports in lieu of reduction of sales tax to 4% on Aviation Turbine Fuel (ATF); charging of Advance Development Fee (ADF) at the existing airports for help in financing of the Greenfield airports; levy of User Development Fee (UDF) at the new airport; and Financial assistance/equity participation by Airports Authority of India.

Air services from Banglore to Saudi Arabia

2652. SHRI K. RAHMAN KHAN: Will the Minister of CIVIL AVIATION be pleased to state:

(a) the names of the cities in Saudi Arabia where Air India operates from Bangalore; and

(b) whether Dammam is covered by Air India from Bangalore, if not, whether Air India propose to introduce a flight to Dammam in view of huge traffic to Bangalore?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI SHRIPAD YESSO NAIK): (a) Currently, Air India does not operate any direct flights from Bangalore to Saudi Arabia. However, it offers connections from Bangalore to Riyadh and Jeddah over Mumbai.

(b) Air India has no plans of introducing flights to Dammam from Bangalore at present.